

AMENDED IN ASSEMBLY APRIL 11, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 2576

Introduced by Assembly Member Gray
(Coauthors: Assembly Members Bigelow and Olsen)
(Coauthor: Senator Galgiani)

February 19, 2016

An act to add Section ~~39719.5~~ to the Health and Safety Code, ~~40512~~ to the Public Resources Code, relating to recycling, and making an appropriation therefor. *recycling.*

LEGISLATIVE COUNSEL'S DIGEST

AB 2576, as amended, Gray. Recycling: glass container manufacturers: market development payments.

Existing law establishes the Greenhouse Gas Reduction Fund as a special fund in the State Treasury, and requires that all ~~moneys~~ *moneys*, except for fines and penalties, collected by the State Air Resources Board from the auction or sale of specified greenhouse gas allowances as part of a market-based compliance mechanism to be deposited in the fund and available for appropriation by the Legislature. *upon appropriation for purposes relating to the reduction of greenhouse gas emissions.*

This bill would ~~appropriate \$20,000,000 annually~~ *provide that up to \$20,000,000 shall be available, upon appropriation by the Legislature,* from the Greenhouse Gas Reduction Fund to the Department of Resources Recycling and Recovery for market development payments to glass container manufacturers in an ~~unspecified~~ *amount of \$50* per ton of state-generated cullet, as defined, utilized for manufacturing in

~~the state.~~ *state to achieve greenhouse gas emissions reductions not otherwise required by statute or regulation.*

Vote: majority. Appropriation: ~~yes~~ no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the
2 following:

3 (a) The California Global Warming Solutions Act of 2006
4 requires the State Air Resources Board, pursuant to regulation, to
5 reduce California greenhouse gas (GHG) emissions and to
6 minimize the “leakage” of GHG emissions from California to areas
7 outside of the state. Regulations adopted by the board classify
8 glass container manufacturing as an energy intensive and trade
9 exposed industry with a high risk of leakage.

10 (b) Glass container manufacturers currently use approximately
11 563,000 tons of recycled glass per year. With increased quality
12 supply, glass manufacturers have the potential to use 755,000 tons
13 per year.

14 (c) Furnace-ready recycled glass, referred to as “cullet,” is
15 expensive and hard to acquire. Single-stream recycling systems
16 result in low-quality glass that cannot be used in a furnace. Often,
17 this glass is disposed of in landfills rather than recycled. Glass
18 market development payments will improve the market for recycled
19 glass and increase the availability of furnace-ready cullet in
20 California.

21 (d) For every six tons of recycled glass used in the
22 manufacturing process, there is a one ton reduction in GHG
23 emissions. GHG emissions reductions could reach 34,000 tons per
24 year.

25 (e) Glass container manufacturing fits the categories for funding
26 identified in the California Global Warming Solutions Act of 2006,
27 SB 535 (Chapter 830 of the Statutes of 2012), and the board’s
28 scoping plan for expenditures.

29 (f) Glass container manufacturing plants are located in areas of
30 the state designated by the California Communities Environmental
31 Health Screening, also known as CalEnviroScreen, as priority
32 locations for cap and trade investment.

SEC. 2. Section ~~39719.5~~ 40512 is added to the ~~Health and Safety~~ *Public Resources* Code, to read:

~~39719.5.~~

40512. ~~Twenty~~ *Up to twenty* million dollars (\$20,000,000) ~~is hereby appropriated annually shall be available, upon appropriation by the Legislature,~~ from the Greenhouse Gas Reduction Fund, established pursuant to Section 16428.8 of the Government Code, to the ~~Department of Resources Recycling and Recovery~~ *department* for market development payments to glass container manufacturers in an amount up to ~~— fifty dollars (\$—) (\$50)~~ per ton of state-generated cullet, as defined in Section ~~14509.3 of the Public Resources Code, 14509.3,~~ utilized for manufacturing in the ~~state.~~ *state to achieve greenhouse gas emissions reductions not otherwise required by statute or regulation.*